

MEMORANDUM

NATIONAL SECURITY COUNCIL

REFER TO DOS

INFORMATION

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December 13, 1971

FBI REVIEWED 09-Nov-2010: NO OBJECTION TO DECLASSIFICATION.

MEMORANDUM FOR:

MR. KISSINGER

FROM:

JOHN H. HOLDRIDGE *JHH/KHS*

SUBJECT:

P'eng Ming-min Between the ROC
and PRC: Prospects for "Formosan
Independence"

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Recently we have received two intelligence reports on contacts between P'eng Ming-min and both the ROC and the PRC. P'eng is the most visible leader of the Taiwan Independence Movement. As you know, he escaped from Taiwan last year and is now in Ann Arbor, Michigan.

In August the ROC sent an emissary to the United States to establish contact with P'eng. The emissary appeared to have been briefed by Chiang Kai-shek himself.

The man urged P'eng to return to Taiwan and cooperate with the GRC. P'eng turned down the invitation because he found the conditions set by the ROC unacceptable. The emissary had told P'eng that if he would accept the continued validity of the "return to the mainland" policy, and of ROC control of the military forces on the island, he would be permitted to become active in provincial political affairs. The emissary expressed fears that if P'eng did not cooperate the ROC would use increasingly repressive measures against the Taiwanese population.

More recently, P'eng himself took the initiative of calling John S. Service before his trip to China to ask Service to arrange with Chou En-lai for a (P'eng) visit to mainland China, or to otherwise enable P'eng to establish direct contact with authorities of the PRC. Chou En-lai is reported to have said to Service when P'eng's message was raised: "Any friends of P'eng who have not taken part or approved of the Taiwan independence movement can come here and then report back to P'eng."

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FBI reporting has revealed that P'eng attempted to get his mistress out of Taiwan through the ploy of having the woman marry an American soldier who would bring her to the U.S. as his wife. The ROC authorities are aware of the ploy, and have moved to block the woman's exit. They have expressed to USC officials the hope that pressures will not be applied from the U.S. side to allow the woman to leave the island. P'eng thus may find his situation in this country increasingly frustrating at a personal level, compounding what must be his political frustrations about lack of support for Taiwan independence by U.S. authorities and the world community in general (as demonstrated by the U.N. Chirep vote).

Taiwanese close to P'eng describe the man as an opportunist. At least one could assume that a man as politically active as P'eng--finding the direct road back to Taiwan unattractive, and disappointed by the U.S. position on Taiwanese independence--might begin to think about making some kind of an arrangement (a la Sihanouk?) with the PRC. Certainly P'eng's initiative toward Chou En-lai suggests that he may be thinking in this direction.

The fact that Chou at present has adopted a "hands off" policy toward those associated with Taiwanese independence gives one more indication of mounting PRC anxiety over the possibilities of an independent status for the island. As time goes by, however, and as the difficulties of recovering the island become more obvious, PRC leaders may seek ways of using a man like P'eng to sustain their claims to the island and to the "Chineseness" of its people.

In an article in the New York Times on October 27, P'eng gave evidence of the current state of his thinking about "Formosa's" future. He listed five basic conditions shaping a settlement of the island's status:

1. The U.S. cannot maintain its military presence on Taiwan permanently.
2. The PRC cannot simply annex the island.
3. The ROC cannot continue to sustain its rule over the island on its present "absurd basis."
4. The people of the island cannot live in a state of hostility with the mainland.

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5. "The unique history and identity of the people on Formosa cannot be disregarded, nor their aspiration to decide their own destiny denied."

P'eng then added that, "the Formosan people want to live in the most friendly association with the Chinese people and would spare no effort to establish the closest economic, commercial, cultural and even political ties with China."

Where this all comes out at the moment is uncertain. On the assumptions that P'eng does not just withdraw from politics and that the Taiwan issue is not settled between the PRC and the present ROC leadership on a bilateral basis, one can foresee three possible futures for P'eng and his strivings for "Formosan independence":

1. Cooperation with the post-Gimo leadership. With Chiang Kai-shek's passing, the successor ROC leadership may move to broaden its base of support from the Taiwanese population. In such circumstances, P'eng might be offered more acceptable terms for a return to Taiwan than the ROC offered him this fall. P'eng thus might help to link the KMT to the local population and strengthen the de facto autonomy of the island.

2. Co-optation by the PRC. In circumstances of increasing personal frustration and political isolation, P'eng might be tempted to play the role of a Sihanouk with Peking, using a relationship with PRC authorities for public claims that he has worked out "the most friendly association with the Chinese people" which would give a measure of local autonomy to the Taiwanese within a larger context of "political ties with China." [The quoted phrases are from P'eng's October 27 New York Times article].

The PRC leadership might seek to accommodate P'eng to such a public, "united front" role if they felt it would strengthen their current assertions that the Taiwanese people wish to be "reunited with the motherland." This approach may become increasingly attractive to Peking if it finds that avenues toward a negotiated solution to the island's status favorable to their interests are not forthcoming.

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3. A link between the PRC and ROC (?). A third, but less likely, alternative might involve P'eng in negotiations between Peking and (post-Cimo) Taipei. If some formula could be found for Taiwanese "autonomy" within a one-China framework acceptable to both the ROC and Communist leaderships, the key political problem would be holding the loyalty of the Taiwanese. Naturally they would fear that the ROC was selling out their interests to the mainland. In such circumstances, P'eng--as the most visible leader of the Formosan autonomy position--could play a key role as a public figure supporting a negotiated solution to the Taiwan question. His backing could play a major part in preventing a Taiwanese revolt against a PRC-ROC deal, for he is one of the few men whose public cooperation would imply sufficient local autonomy for the Taiwanese to ease fears of direct "communization" of the island.

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